MINISTRY OF INDUSTRY,
TRADE AND
TECHNOLOGY
ONTARIO

SMALL BUSINESS ADVOCACY
REPORT NO. 24

HOURS OF WORK AND OVERTIME IN SMALL BUSINESS

January, 1988

Small Business Branch
Small Business, Service Industries
and Capital Projects Division
Ministry of Industry, Trade and
Technology

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BEHALF OF
SMALL BUSINESS ADVOCACY
BY

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

1. Background

On January 23rd, 1986, the Minister of Labour, the Honourable William Wrye, appointed Arthur Donner to chair a Task Force to examine the issue of overtime. At that time, workers in the province of Ontario were working a record number of overtime hours. This phenomenon was occuring at the same time that other workers were unemployed or on layoff. The Task Force was expected to provide an analysis of the need for overtime hours and the job creation potential of restrictions on hours of work and overtime.*

The Task Force report was submitted to the Minister in May 1987. In its report, the Task Force made a number of recommendations regarding changes to the existing hours of work and overtime laws.

* In December 1985, the province's unemployment rate was 7.4%.

2. Purpose

The Ministry of Industry, Trade and Technology commissioned this study to gain an understanding of the present use of overtime in small firms in order to understand what the impact the changes proposed by the Task Force would be on small businesses.

The study was designed to answer questions regarding:

- what standard work weeks are in small firms;
- why small businesses schedule overtime;
- how and when small firms schedule overtime; and
- how small firms compensate their employees for overtime work.

Although the intent of the study was to examine in detail the experience of overtime in small businesses, the same questionnaire was used to interview representatives of 60 large firms (those with 100 or more employees). These firms were a control group against which the situation of small businesses could be compared to that of the larger firms.

3. Highlights

* This study was designed primarily to determine attitudes among small business operators (and a control group of large companies*) toward possible changes in hours of work and overtime legislation. Because of this focus, the study was conducted among companies in which there were some non-supervisory employees; it is only to companies with such employees that such legislation would apply.

* The first suggested change was that the overtime premium (or time off at a premium rate) be paid on all hours over 40 in a week rather than on all hours over 44. While most employees would simply pay the higher rates, small companies are less likely than large companies to do so. The major courses of action that would be taken are shown below.

Course Of Action	Small Companies (300) %	Large Companies (60) %
Pay according to changed rules	51	62
Pay better than that now	7	18
Reduce overtime and hire more workers	13	10
Reduce overtime hours	14	3
Disregard the law	3	2
Company not covered by this ruling	5	2

* Small companies were identified as companies with less than 100 employees and large companies as those with 100 or more employees.

NOTE: Throughout this study, circles are used to call attention to large numbers and squares to denote small numbers.

* It was suggested that the maximum work week be reduced from 48 to 44 hours. Most firms feel such a change would present a problem.

	Small Companies (300) %	Large Companies (60) %
Would be a problem for firm	64	69

* The final suggestion is that, although overtime would be voluntary after 40 hours worked in a week, companies would be able to compel workers to go over normal hours in an emergency. Over 3 in 10 feel that there would be a need to enforce such a policy.

	Small Companies (300) %	Large Companies (60) %
Would be necessary	39	35
Not so important	21	18
Make no difference	40	43

* Finally it was suggested that all employees with five or more years of service be entitled to three weeks of paid vacation. Most large companies have such a policy in effect now. However, a substantial number of small companies, particularly those who currently have employees who would be entitled to such vacations, see it as a problem.

	Small Companies			
	Total	Employees With 5+ Years Service	No Employees With 5+ Years Service	Large Companies
	(300) %	(83) %	(217) %	(60) %
Would be problem for firm	34	(42)	30	8

* If all five of the changes just discussed were enacted most feel that the work week would be unaffected. However, a minority do feel the work week would be shorter.

Work Week Would Be:	Small Companies (300) %	Large Companies (60) %
Same	(80)	(85)
Longer	2	2
Shorter	17	13

* It was suggested that the maximum work week be reduced from 48 to 44 hours. Most firms feel such a change would present a problem.

	Small Companies (300) %	Large Companies (60) %
Would be a problem for firm	54	69

* The final suggestion is that, although overtime would be voluntary after 40 hours worked in a week, companies would be able to compel workers to go over normal hours in an emergency. Over 3 in 10 feel that there would be need to enforce such a policy.

	Small Companies (300) %	Large Companies (60) %
Would be necessary	39	35
Not so important	21	18
Make no difference	40	43

METHOD

METHOD

Names of businesses were taken from Dun and Bradstreet business listings. Every nth name was extracted from the total universe: all businesses in Ontario were included with two exceptions: Government agencies and branch offices of companies. The latter were excluded to avoid the possibility of duplicate calls to different locations of the same firm. The names were extracted from the Dun and Bradstreet source in two segments, those having under one hundred employees (small business) and those with one hundred or more employees (large business).

Sixteen hundred names were supplied; twelve hundred were of small businesses, to achieve a sample of 300 interviews, and four hundred were of large businesses, for a sample of 60 interviews.

Introductory letters of explanation were mailed the week prior to the start of field work. However, due to postal disruptions, most companies had not received them by the time the interviewer called, and a full explanation had to be given, of the reason for the survey and the government agency behind it. Although a few respondents chose to wait for their letters before speaking with DECISION MARKETING RESEARCH LIMITED, the majority were sympathetic to the problem, and co-operative without having received their letters.

The survey was conducted by telephone from DECISION MARKETING RESEARCH LIMITED's Toronto offices. Even though respondents were situated throughout Ontario, the calls were made from DECISION MARKETING RESEARCH LIMITED's central calling facility, to maintain quality levels. Up to three calls were made to each business.

Interviewing was conducted between October 13th and October 27th, 1987.

Knowing the nature of the survey, before the interviewer began the questionnaire some respondents declared that their employees did not ever work overtime, and the interview was terminated.

Many companies gave total figures for the number of employees they currently had, that had changed since the data supplied by Dun and Bradstreet. Only when this figure caused them to cross over from being a small to a large company, or vice versa, were their questionnaires rejected from the study.

Following is a summary of the results of calling for this study:

Total Number Of Businesses Called	1048	100%
Unable To Reach Individual	(231)	22
Refused To Take Part	(158)	15
No Overtime Ever Worked	(147)	14
Unable To Reach Company	(72)	7
No Full-Time Employees	(65)	6
Rejected - Number Of Employees	(10)	1
Completed Interviews	(365)	35

Following is a summary of the reasons given for not having employees work overtime:

No Overtime Worked	(147)	100%
Owner/Management Works More	13	9
No Rush Jobs; No Emergencies	13	9
Other Staff Fill In When Necessary Without Working Overtime	8	5
Hire More Workers	3	2
Hire Seasonal Workers; Temp Agency	3	2
Commission; Paid By The Job	3	2
Don't Have That Problem	3	2
Don't Delivery On Time	1	1
Employees Won't Work Overtime	1	1
Go Short Staffed	1	1
Excellent Staff	1	1
Don't Worry About It	1	1
All Employees Are Mangement	1	1
Seasonal Work	1	1
No Reasons Given	99	67

The results are reported in the sections which follow.

A copy of the questionnaire used is included in the Technical Appendix.

Detailed Tables were provided under separate cover.

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RESULTS

RESULTS

A. MARKET MORPHOLOGY

1. Incidence of Working Overtime

This study was designed primarily to determine the attitudes in Ontario among small business operators (and a control group of large companies*) toward possible changes in hours of work and overtime laws. Because of this objective, the study was conducted with companies in which there were some full-time non-supervisory employees; it is only to this group that such legislation would apply.

Two groups of companies were randomly selected from Dun and Bradstreet lists. One group was of companies with less than 100 employees and the second of companies with 100 employees or more.

There were four reasons that companies on the list were not interviewed. A few companies no longer fell in the employee size category in which they were originally selected. These companies were excluded from the study because, due to the disproportionate number of small companies being interviewed, their inclusion could have resulted in a disproportionate number of companies being included whose size was close to 100 employees.

* Small businesses were defined as companies with less than 100 employees and large companies as those with 100 or more employees.

The second reason was that the individual selected to do the interview or his alternate could not be reached after three attempts. The third reason was that the company could not be located. The final reason was a refusal to co-operate. This level was twice as high among large as among small companies (27% versus 13%).

If it is assumed that the companies that did not take part in the study do not differ from those that did take part, then, among small companies:

- in 3 out of 10 no overtime is worked
- in 1 out of 10 there are no full-time non-supervisory employees, and
- in 6 out of 10 there are full-time non-supervisory employees who do work overtime.

Almost all of the large companies have full-time non-supervisory employees who do work overtime. The single exception is a company where profit-sharing is used instead of overtime.

Among the small companies it is possible that, since the respondents were told the topic of the survey at the beginning, some of them may have claimed that no overtime was worked in their firm in order to avoid participating in the study.

	Small Businesses (Less Than 100 Employees)			Large Businesses (100 Employees Or More)		
TOTAL NUMBER OF COMPANIES CALLED:	(896)			(152)		
Rejected - Number Of Employees	*			2		
Unable to reach individuals	21			27		
Unable to reach company	8			1		
Refused to take part	13			27		
Took part		57%	100%		43%	100%
No overtime ever worked	16		28	2		5
No full-time non-supervisory employees	7		12	-		-
Overtime worked and participated*	34		60	41*		95

* A total of 303 small businesses and 62 large businesses were interviewed. Three of the small businesses and two of the large businesses were dropped from the final tabulation due to incompleteness of the data provided.

2. Companies In Ontario By Segment And Employee Size

The following table shows the number of companies by employee size and by industry sector based on the Canadian Business Register - December, 1986. Of the total companies listed, the number of employees is not known for 6% (20,219).

			Number Of Employees - Ontario*					
	TOTAL		Small Companies		Large Companies		Unknown	
NUMBER OF COMPANIES	364,553	100%	339,325	100%	5,009	100%	20,219	100%
Sector:								
Trade	80,256	22	75,940	22	660	13	3,656	18
Manufacturing	23,741	7	20,570	6	1,692	34	1,479	7
Services	230,920	63	215,272	64	2,535	51	13,113	65
Primary	29,636	8	27,543	8	122	2	1,971	10

* Canadian Business Register - December, 1986

3. Sectors

Among both large and small companies the service industry is under represented among the study firms. This would suggest that such firms are less likely than the trade or manufacturing sectors to have non-supervisory full-time employees who work overtime*. This service sector pattern is more pronounced among the small than among the large companies**.

* Since the companies included in the study were selected at random from a Dun and Bradstreet list, some of this difference may be due to the difference in the Business Register and Dun and Bradstreet universals.

** The same pattern is also true in the primary sector among small companies. However, the base is too small to determine if this difference is significant.

SECTOR

BY SIZE OF COMPANY

QUESTION 2

	SMALL COMPANIES		LARGE COMPANIES	
	Survey	Business Register*	Survey	Business Register*
NUMBER OF COMPANIES	(300)	(364,553)	(60)	(5,009)
	%	%	%	%
SECTOR				
TRADE	34	22	20	13
MANUFACTURING	28	6	38	34
SERVICES	36	64	40	51
PRIMARY	2	8	2	2

* EXCLUDES COMPANIES WHOSE NUMBER OF EMPLOYEES IS NOT SHOWN IN THE CANADIAN BUSINESS REGISTER - 1986.

NOTE: THROUGHOUT THIS STUDY CIRCLES ARE USED TO CALL ATTENTION TO LARGE NUMBERS AND SQUARES TO DENOTE SMALL NUMBERS.

4. Type of Company

All of the large companies and 8 in 10 of the small companies in this study are incorporated. The remaining small companies are equally likely to be partnerships or sole proprietorships.

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TYPE OF COMPANY

BY SIZE OF COMPANY

QUESTION 3

	SMALL COMPANIES (300)	LARGE COMPANIES (50)
ALL RESPONDENTS:	%	%
CORPORATION	80	100
PARTNERSHIP	10	-
SOLE PROPRIETORSHIP	10	-

5. Number of Employees

The tables which follow show the distribution of number of employees in small and large companies interviewed. Figures are shown for total employees, full-time employees and part-time employees.

The small companies (tnose with less than 100 employees) have an average of 21 employees of whom an average of 18 are full-time and 3 are part-time. The large companies (those with 100 and more employees) have an average of 855 employees of whom an average of 637 are full-time and 218 are part-time.

TOTAL NUMBER OF EMPLOYEES
BY SIZE OF COMPANY
QUESTIONS 4A. B

	SMALL COMPANIES (300)	LARGE COMPANIES (60)
ALL RESPONDENTS*	%	%
1 TO 4	14	-
5 TO 9	23	-
10 TO 19	28	-
20 TO 49	22	-
50 TO 99	13	-
100 TO 299	-	43
300 OR MORE	-	57
AVERAGE NUMBER OF EMPLOYEES	21	855

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NUMBER OF FULL-TIME EMPLOYEES

BY SIZE OF COMPANY

QUESTION 4A

	SMALL COMPANIES (300)	LARGE COMPANIES (60)
ALL RESPONDENTS:	%	%
1 TO 4	18	-
5 TO 9	24	-
10 TO 19	26	-
20 TO 49	23	2
50 TO 99	9	-
100 TO 299	-	48
300 OR MORE	-	50
AVERAGE NUMBER OF FULL-TIME EMPLOYEES	18	637

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NUMBER OF PART-TIME EMPLOYEES

BY SIZE OF COMPANY

QUESTION 4B

	SMALL COMPANIES (300)	LARGE COMPANIES (60)
ALL RESPONDENTS:	%	%
NONE	52	40
1 TO 4	36	7
5 TO 9	6	5
10 TO 19	3	12
20 TO 49	2	15
50 TO 99	1	3
100 TO 299	-	8
300 OR MORE	-	10
AVERAGE NUMBER OF PART-TIME EMPLOYEES	3	218

6. Length Of Service With Company

The three tables which follow show, separately for small and large companies, the percent of employees who have:

- less than five years with their current company
- five to less than ten years and
- ten years or more.

They also show the average number of employees who fall in each of these categories.

Small companies are considerably more likely than larger companies to have no employees with considerable tenure. Over half of all small companies report having no employees who have been with the company ten years or more.

NUMBER OF EMPLOYEES LESS THAN FIVE YEARS WITH COMPANY

BY SIZE OF COMPANY

QUESTION 4C

	SMALL COMPANIES (300)	LARGE COMPANIES (60)
ALL RESPONDENTS:	%	%
NONE	4	-
1 TO 4	31	-
5 TO 9	23	-
10 TO 19	25	4
20 TO 49	14	9
50 TO 99	3	15
100 TO 299	-	49
300 OR MORE	-	23
AVERAGE NUMBER OF EMPLOYEES LESS THAN FIVE YEARS	12	386

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NUMBER OF EMPLOYEES FIVE TO LESS THAN TEN YEARS WITH COMPANY

BY SIZE OF COMPANY

QUESTION 4C

	SMALL COMPANIES (300)	LARGE COMPANIES (60)
ALL RESPONDENTS:	%	%
NONE	34	2
1 TO 4	34	-
5 TO 9	15	-
10 TO 19	11	-
20 TO 49	5	30
50 TO 99	1	32
100 TO 299	-	18
300 OR MORE	-	18
AVERAGE NUMBER OF EMPLOYEES FIVE TO LESS THAN TEN YEARS	5	204

NUMBER OF EMPLOYEES TEN YEARS OR MORE WITH COMPANY

BY SIZE OF COMPANY

QUESTION 4C

ALL RESPONDENTS	SMALL COMPANIES (300) %	LARGE COMPANIES (60) %
NONE	55	12
1 TO 4	23	3
5 TO 9	8	2
10 TO 19	7	10
20 TO 49	6	18
50 TO 99	1	20
100 TO 299	-	18
300 OR MORE	-	17
AVERAGE NUMBER OF EMPLOYEES TEN YEARS OR MORE	5	253

7. Unionization

Companies were categorized according to whether or not they were unionized and, if they were, the number of employees that belong to a union.

Most of both the small and large companies are not unionized. However, the proportion who are unionized is higher among the large companies.

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UNIONIZATION OF FIRMS AND NUMBER OF EMPLOYEES
BELONGING TO UNION
BY SIZE OF COMPANY
QUESTIONS 5A, B

	SMALL COMPANIES (300)	LARGE COMPANIES (60)
ALL RESPONDENTS	%	%
NOT UNIONIZED	90	63
UNIONIZED	10	37
NUMBER IN UNION:		
1 TO 4	2	2
5 TO 9	2	2
10 TO 49	4	3
50 TO 99	2	5
100 TO 999	-	17
1,000 OR MORE	-	8

3. Anticipated Sales Volume

The projected sales volume for their current year was requested at the time of the survey. Among those companies that give an estimate of their sales volume, all of the large companies anticipate sales of one million dollars or more, with the majority expecting more than ten million. The majority of small companies also anticipate sales of one million dollars or more (57%).

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EXPECTED SALES VOLUME THIS YEAR

BY SIZE OF COMPANY

QUESTION 20

	SMALL COMPANIES (300)	LARGE COMPANIES (50)	
ALL RESPONDENTS:	%	%	
LESS THAN $100,000	1	-	
$100,000 TO $249,999	6	-	
$250,000 TO $499,999	12	-	
$500,000 TO $999,999	15	-	
$1,000,000 TO $1,999,999	20	2	
$2,000,000 TO $4,999,999	20	3	88%
$5,000,000 TO $9,999,999	10	7	
$10,000,000 AND OVER	7	76	
REFUSED; DON'T KNOW	9	12	

57%

B. THE AMOUNT OF OVERTIME WORKED

1. Overtime Hours

The reader is reminded that the universe for this study was composed of companies in which there were some full-time non-supervisory employees.

This section reports the following information:

a) In a normal work week, the average number of full-time non-supervisory staff who work

b) The number of the above employees who work over their normal hours

c) How often employees who do work over their normal hours work and

d) The number of overtime hours, on average, each employee who works overtime works in a week.

All of the above data was collected by five categories designating different normal work-week hours. The five categories are:

- less than 35 hours a week
- 35 to less than 40 hours a week
- 40 to less than 44 hours a week
- 44 to less than 48 hours a week, and
- 48 hours and over a week.

Because some firms have different normal work weeks for different types of employees (e.g., office and plant) the same firm can have employees in more than one category. On the tables which follow this data is presented first for the small companies and then for large companies

For example, among the 300 small companies included in this study the average number of full-time non-supervisory employees who work 40 to less than 44 hours a week is ten. Of these 300 companies 159 (or 59%) of them have full-time non-supervisory personnel who work overtime. The average number who work any overtime is eight.

The third column shows the frequency with which these employees work overtime. For example, 20% of them work overtime about once a month.

On average, among workers whose normal work week is 40 to less than 44 hours the average amount of overtime that they work, when they work overtime, is 5.7 hours.

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Number Of Hours Worked In Average Work Week By Full Time Non-Supervisory Employees	Small Companies: Average Number Of Full Time Non-Supervisory Employees		Small Companies: Average Number Of Full Time Non-Supervisory Employees Who Work Over Their Normal Hours		Small Companies: Average Number Of Overtime Hours Worked	
Less than 35	(300)	*	(24)	1	(24)	2.8
35 to less than 40	(300)	5	(115)	5	(115)	4.6
40 to less than 44	(300)	10	(179)	8	(179)	5.7
44 to less than 48	(300)	2	(56)	6	(56)	5.4
48 hours and over	(300)	*	(25)	10	(25)	8.1

Number Of Hours Worked Over Normal Hours By Full Time Non-Supervisory Employees		Frequency Of Working Over Normal Hours: About Once A Week Or More Often	About Once Every Two Weeks	About Once A Month	About Once Every Two Months	About Once Every Six Months	About Once A Year	Less Often Once A Year	Never
Less than 35	(24)	% 4	-	25	13	8	-	-	50
35 to less than 40	(115)	% 20	16	28	16	8	5	2	5
40 to less than 44	(179)	% 43	15	20	8	6	3	1	4
44 to less than 48	(56)	% 55	11	16	9	2	3	-	4
48 hours and over	(25)	% 56	16	8	8	4	-	-	8

* Less Than One

Number Of Hours Worked In Average Work Week By Full Time Non-Supervisory Employees	Large Companies: Average Number Of Full Time Non-Supervisory Employees		Large Companies: Average Number Full Time Non-Supervisory Employees Who Work Over Their Normal Hours		Large Companies: Average Number Of Overtime Hours Worked	
Less than 35	(60)	7	(8)	10	(8)	1.6
35 to less than 40	(60)	333	(47)	117	(47)	4.9
40 to less than 44	(60)	188	(39)	127	(39)	5.9
44 to less than 48	(60)	10	(10)	19	(10)	11.1
48 hours and over	(60)	35	(4)	518	(4)	15.8

Number Of Hours Worked Over Normal Hours By Full Time Non-Supervisory Employees			Frequency Of Working Over Normal Hours: About Once A Week Or More Often	About Once Every Two Weeks	About Once A Month	About Once Every Two Months	About Once Every Six Months	About Once A Year	Less Often Once A Year	Never
Less than 35	(8)	%	-	-	25	13	12	12	-	50
35 to less than 40	(47)	%	32	21	24	6	9	4	-	4
40 to less than 44	(39)	%	49	23	13	10	2	-	-	3
44 to less than 48	(10)	%	80	10	-	10	-	-	-	-
48 hours and over	(4)	%	75	25	-	-	-	-	-	-

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2. Incidence Of Various Length Work Weeks

The table which follows shows, for small and large companies, the proportion of companies who have some full-time non-supervisory personnel who work overtime at least occasionally.

PERCENT OF COMPANIES WITH FULL TIME NON SUPERVISORY EMPLOYEES
WHO WORK SPECIFIED HOURS A WEEK
BY SIZE OF COMPANY
QUESTION 6.A

	SMALL COMPANIES (300) %	LARGE COMPANIES (60) %
PERCENT OF COMPANIES IN WHICH SOME EMPLOYEES WORK ...		
... LESS THAN 35 HOURS A WEEK	8	13
... 35 TO LESS THAN 40 HOURS A WEEK	38	78
... 40 TO LESS THAN 44 HOURS A WEEK	59	65
... 44 TO LESS THAN 48 HOURS A WEEK	19	16
... 48 HOURS AND OVER A WEEK	8	7

NOTE: PERCENTAGES ADD TO MORE THAN ONE HUNDRED BECAUSE SOME COMPANIES HAVE EMPLOYEES IN MORE THAN ONE CATEGORY.

C. CURRENT OVERTIME ATTITUDES AND PRACTICES

1. Reasons For Working Overtime

The representatives of each company were asked the reasons that they asked their staff to work overtime. In addition to this general question, the question was expanded to ask why they have their staff work overtime rather than using other methods to increase production such as enlarging their staff, buying additional equipment or adding another shift.

The most common reasons given have to do with meeting deadlines or emergencies, dealing with seasonal peaks, lack of sufficient overtime to justify hiring additional employees and an inability to get skilled workers.

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REASONS FOR WORKING OVERTIME

BY SIZE OF COMPANY

QUESTION 8

	SMALL COMPANIES (300)	LARGE COMPANIES (40)
ALL RESPONDENTS:	%	%
TO MEET DEADLINES: STAY ON SCHEDULE	31	25
CUSTOMER DEMAND	13	-
WE'RE BUSY: HEAVY WORKLOAD	-	8
BACKLOG: RUNNING BEHIND	7	-
RUSH JOBS	5	-
OVERTIME UNEXPECTED: UNPREDICTABLE	2	10
EMERGENCY WORK	4	2
SEASONAL: PEAK PERIODS: FLUCTUATES	18	35
NOT ENOUGH OVERTIME TO JUSTIFY HIRING SOMEONE NEW	21	17
EASIER/MORE ECONOMICAL TO USE PRESENT WORKERS	10	8
NEW WORKERS/EQUIPMENT TOO EXPENSIVE	8	5
DON'T LIKE TO HIRE THEN LAY OFF	2	5
NEED MORE EQUIPMENT FOR NEW EMPLOYEES	1	2
CAN'T GET SKILLED WORKERS/GOOD PEOPLE	14	22
SHORTAGE OF MANPOWER	4	15
WE DO SPECIALIZED WORK: SPECIAL TRAINING	8	7
EMPLOYEES WANT THE OVERTIME	8	7
WE HIRE PART-TIME: WE'RE ADDING STAFF/ EQUIPMENT	6	15
WE DON'T HAVE MUCH OVERTIME	7	2
ABSENTEEISM: VACATION: SICKNESS	4	8
ON THE ROAD: ON-SITE: TRAVEL TIME	5	2

Continued /2 ...

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REASONS FOR WORKING OVERTIME
BY SIZE OF COMPANY, PAGE TWO
QUESTION 8

	SMALL COMPANIES (200)	LARGE COMPANIES (50)
ALL RESPONDENTS:	%	%
TAKES TIME TO TRAIN NEW EMPLOYEES	5	3
BREAKDOWNS	3	2
PRODUCTION DEMANDS	1	8
NOT PRACTICAL TO HIRE RIGHT NOW	3	2
WORKING 2/3 SHIFTS NOW	2	5
OVERTIME INTERMITTENT: ERRATIC	2	5
OPEN LONGER HOURS: 6/7 DAYS A WEEK	2	2
SMALL/FAMILY/NEW BUSINESS	3	-
NO SPACE FOR NEW EMPLOYEES/EQUIPMENT	2	3
WEATHER CONDITIONS	2	3
EXTRA MEN/EQUIPMENT WOULDN'T HELP	2	-
FOR CONTRACT WORK	1	-
ON LARGE PROJECTS	1	2
MISCELLANEOUS SINGLE MENTIONS	3	8

NOTE: Percentages add to more than one hundred because some respondents gave more than one answer.

2. Incidence And Resolution Of Employees Declining To Work Overtime

The large majority of small companies report that their employees do not sometimes decline to work overtime (83%). In large companies employees are somewhat more likely to do so.

When asked how they handle this situation, in both small and large companies the most typical response is to ask another employee.

#70115

INCIDENCE OF EMPLOYEES DECLINING OVERTIME
AND MEANS OF HANDLING THE SITUATION
QUESTIONS 9A, B

	SMALL COMPANIES (300)	LARGE COMPANIES (50)
ALL RESPONDENTS:	%	%
EMPLOYEES DO NOT DECLINE OVERTIME	83	52
EMPLOYEES DO DECLINE OVERTIME	17	48
ACTION TAKEN:		
ASK SOMEONE ELSE	8	22
ASK NEXT MAN IN LINE: UNION ROSTER	1	13
OVERTIME IS VOLUNTARY	2	5
DO IT MYSELF: MANAGEMENT STEPS IN	2	2
PUT THE WORK OFF	3	-
WORK AROUND IT: CO-OPERATIVE EFFORT	1	7
NOT A PROBLEM	2	5
ALWAYS SOMEONE WILLING TO WORK	1	7
USE PART-TIMERS: TEMP AGENCY	1	3
LIVE WITH IT	1	2
HOPE THEY'LL WORK SOME OTHER TIME	1	-
NEVER FORCE ANYONE	1	2
GO SHORT-HANDED	1	-
SCHEDULED IN ADVANCE	1	-
MISCELLANEOUS SINGLE MENTIONS	1	8

NOTE: Percentages add to more than one hundred because some respondents gave more than one answer.

3. Number of Hours Worked Before Overtime Rates Paid

The table which follows shows the number of hours that companies report an employee works before he is paid overtime rates. The large companies are more likely than the small companies to report that overtime rates are only paid after 44 hours a week. Large companies are also more likely to report more than one standard because practices in large companies vary depending on such factors as office versus plant employees and week-end versus weekday work.

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*70115

NUMBER OF HOURS WORKED BEFORE OVERTIME RATES PAID

BY SIZE OF COMPANY

QUESTION 10A

	SMALL COMPANIES (300)	LARGE COMPANIES (50)
ALL RESPONDENTS:	%	%
LESS THAN 40 HOURS A WEEK	10	28
40 HOURS A WEEK	36	50
41 TO 43 HOURS A WEEK	5	3
44 HOURS A WEEK	31	17
MORE THAN 44 HOURS A WEEK	4	2
8 HOURS OR LESS A DAY	1	5
MORE THAN 8 HOURS A DAY	*	2
MISCELLANEOUS SINGLE MENTIONS	*	2
NONE	17	2

NOTE: Percentages add to more than one hundred because some companies have more than one overtime system in practice.

* Less than one half of one per cent

4. Explanation For Not Paying Overtime Rates

Only one large company reports not paying overtime rates. It offers profit-sharing in its place.

Almost 2 in 10 (17%) report that they do not pay overtime rates. The most common reasons are that only salary is paid and that time off is given for time worked.

#701

EXPLANATION FOR NOT PAYING OVERTIME RATES

BY SIZE OF COMPANY

QUESTION 108

	SMALL COMPANIES	LARGE COMPANIES
RESPONDENTS CLAIMING NO HOURS BEFORE OVERTIME RATES PAID:	(52) %	(1) %
SALARY: NO OVERTIME PAID	33	-
TIME OFF FOR TIME WORKED	29	-
HOURLY RATE	14	
BONUS SYSTEM	14	-
FAMILY BUSINESS	12	-
STRAIGHT TIME: NO OVERTIME	6	-
WORK MUST BE COMPLETED: WORK TILL DONE	6	-
UNDERSTOOD FROM BEGINNING: STRAIGHT TIME	4	-
CLASSIFIED AS FARMERS/PHARMACISTS	4	-
PROFIT SHARING	2	100
COMMISSION	2	-
TIME OFF BETWEEN JOBS	2	-
CONTRACT WORK - HIRED FOR JOB	2	-
MISCELLANEOUS SINGLE MENTIONS	8	-

NOTE: Percentages add to more than one hundred because some respondents gave more than one answer.

CAUTION: Small bases

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5. Practices For Paying Overtime Hours

Those firms that do pay overtime were asked what their practices were for paying non-supervisory employees for their overtime hours. More than 8 in 10 of both small and large companies report paying time and a half.

#70115

PRACTICES FOR PAYING FOR OVERTIME HOURS

BY SIZE OF COMPANY

QUESTION 10C

	SMALL COMPANIES	LARGE COMPANIES
BASE: RESPONDENTS WHO PAY OVERTIME	(248)	(59
	%	%
TIME AND A HALF	93	88
TIME OFF AT STRAIGHT TIME	17	17
TIME OFF AT A PREMIUM RATE	5	7
HIGHER THAN TIME AND A HALF	2	17
DOUBLE TIME FOR LONG WEEKENDS/HOLIDAYS	3	5
SOMETIMES DOUBLE TIME: AFTER 4/5/8 HOURS	2	5
DOUBLE TIME	2	-
STRAIGHT TIME	1	2
EMPLOYEE'S CHOICE OF REMUNERATION	1	3
COMMISSION	*	2
BONUS	1	-
MISCELLANEOUS SINGLE MENTIONS	1	2

NOTE: Percentages add to more than one hundred because some companies have more than one overtime system in practice.

6. Choice When Additional Person-Hours Needed

Representatives of the companies were reminded that when additional person-hours are needed, employers have two options, both of which cost money. They can either hire new workers or use overtime by current employees. They were asked which of these two options they find least expensive. Among both large and small companies about 8 in 10 feel it is less expensvie to have current employees work overtime.

#70115

CHOICE WHEN ADDITIONAL PERSON-HOURS NEEDED

BY SIZE OF COMPANY

QUESTION 11

	SMALL COMPANIES (300)	LARGE COMPANIES (80)
ALL RESPONDENTS:	%	%
HAVE CURRENT EMPLOYEES WORK OVERTIME	88	80
HIRE SOMEONE NEW	11	18
OTHER COMMENTS	5	9

NOTE: Percentages add to more than one hundred because some respondents volunteered comments in addition to, or instead of, the closed-end response to the question.

D. REACTION TO POSSIBLE CHANGES TO OVERTIME LAWS

This section of the interview presented the people with scenarios regarding the future of hours of work and overtime laws. It tested their reaction to changes to hours of work and overtime laws proposed by the Task Force on Hours of Work and Overtime and others.

Questions 12, 13, 14, 15 and 16 test the major recommendations of the Task Force on Hours of Work and Overtime.

Question 17 asks the respondent what the cumulative effect on the firm would be if all the proposed changes were enacted.

Question 18 tests the recommendation of the New Democratic Party to the Task Force that the maximum hours of work per week, with no exceptions, be reduced to 44.

The Task Force recommended that overtime should be voluntary after a new standard workweek of 40 hours. Question 19 tests the applicability of Section 19 of the Employment Standards Act under such a system. Section 19 states:

> "In case of an accident or in case of work urgently required to be done to machinery or plant, the employer may require the limit of hours of work...to be exceeded but only so far as may be necessary to avoid serious interference with the ordinary working of the establishment."

1. Overtime To Be Paid After Forty Hours A Week

The first possible change was presented in the following manner:

> "At present, with certain exceptions, all non-supervisory employees who work more than 44 hours in a week are supposed to be paid an overtime premium for all hours over 44. It is being suggested that the law be changed to require that the overtime premium (or time off at a premium rate) be paid on all hours over 40 in a week."

They were then read the list which follows and asked to select the response that reflected what they felt that their company would adopt if the law were changed.

> "pay employees according to the changed rules,
> reduce overtime hours and hire more workers,
> reduce your business operating hours,
> reduce overtime hours,
> disregard the law, or
> your company is not covered by this ruling,
> Other (specify)"

They were also given the opportunity to state another reason. Those who selected option two - reduce overtime hours and hire more workers - were asked if they would hire "full-time", "part-time" or "both".

In both small and large companies most employees say that they would pay employees according to the changed rules. Larger

companies are more likely to take this stance, particularly when you include the 18% who say that they now pay better than this standard. Small companies are more likely than large companies to say that they would reduce overtime hours.

CHOICE IF OVERTIME PAID AT FORTY HOURS #70115

BY SIZE OF COMPANY

QUESTIONS 12 A, B

	SMALL COMPANIES (300)	LARGE COMPANIES (301)
ALL RESPONDENTS:	%	%
PAY EMPLOYEES ACCORDING TO CHANGED RULES	51	(62)
REDUCE OVERTIME HOURS AND HIRE MORE WORKERS	13	11
FULL-TIME	4	3
PART-TIME	7	4
BOTH FULL-TIME AND PART-TIME	2	3
REDUCE BUSINESS OPERATING HOURS	3	2
REDUCE OVERTIME HOURS	(14)	3
DISREGARD THE LAW	3	2
COMPANY NOT COVERED BY THIS RULING	5	2
WE PAY THAT/BETTER THAN THAT NOW	7	(13)
GO BY UNION RULES: CDN LABOUR STANDARD	1	5
WOULDN'T LIKE IT: INFURIATED	2	-
WOULD HIRE MORE PEOPLE	2	-
WOULD PAY BY SALARY	1	-
DISRUPTIVE TO MY BUSINESS: EXPENSIVE	1	-
WOULD IMPROVE EQUIPMENT	1	-
EMPLOYEES WANT TO WORK	1	-
WOULD SUBCONTRACT	1	-
WILL CLOSE UP; MOVE TO ANOTHER PROVINCE	1	-
MISCELLANEOUS SINGLE MENTIONS	1	2

NOTE: Percentages add to more than one hundred because some respondents volunteered comments in addition to, or instead of, the closed-end response to the question.

2. 250 Hour Yearly Maximum Of Overtime Hours

The second possible change in the law stated that:

> "A maximum number of overtime hours an employee may work has been established for a 7-day period. It has been suggested that a maximum of 250 overtime hours be set for the year, for each employee".

After the above statement was read people were read a list of alternatives and asked to select the one that best described how this arrangement would work for their firm.

The responses of those in small and large companies differ little in their reaction to this proposal. While about 6 in 10 in both groups feel that it would work as well as the current system, few feel that it would work better. About 3 in 10 say that it would not work as well as the current system.

#70115

EFFECT OF PROPOSED 250-HOUR YEARLY MAXIMUM OF OVERTIME HOURS

By SIZE OF COMPANY

QUESTION 13A

	SMALL COMPANIES (100)	LARGE COMPANIES (50)
	%	%
ALL RESPONDENTS:		
WOULD WORK BETTER THAN THE CURRENT SYSTEM	7	15
WOULD NOT WORK AS WELL AS THE CURRENT SYSTEM	29	28
WOULD MAKE NO DIFFERENCE: WOULD WORK AS WELL AS THE CURRENT SYSTEM	64	57

#701

REASONS FOR SAYING 250-HOUR MAXIMUM WOULD WORK BETTER THAN CURRENT SYSTEM BY SIZE OF COMPANY

QUESTION 13B

	SMALL COMPANIES	LARGE COMPANIES
BASE: RESPONDENTS WHO SAID IT WOULD WORK BETTER	(22) %	(9) %
GIVES FLEXIBILITY: SEASONAL: COVERS FLUCTUATIONS	68	67
MORE PRACTICAL/ECONOMICAL	18	33
ENOUGH: NO ONE WORKS THAT MANY HOURS IN A YEAR	23	11
NEW ONE BETTER/FAIRER FOR WORKERS	5	11
MISCELLANEOUS SINGLE MENTIONS	9	22
DON'T KNOW	18	-

NOTE: Percentages add to more than one hundred because some respondents gave more than one answer.

CAUTION: Small bases

#7011

REASONS FOR SAYING 250-HOUR MAXIMUM WOULD MAKE NO DIFFERENCE OR WOULD WORK AS WELL BY SIZE OF COMPANY
QUESTION 13B

	SMALL COMPANIES	LARGE COMPANIES
BASE: RESPONDENTS WHO SAID IT WOULD MAKE NO DIFFERENCE OR WORK AS WELL:	(132)	(34)
	%	%
ENOUGH: NO ONE WORKS THAT MANY HOURS IN A YEAR	33	17
WE DON'T WORK MUCH OVERTIME	32	21
WOULDN'T AFFECT US	15	9
OVERTIME VOLUNTARY: THEY LIKE TO HELP	7	6
GIVES FLEXIBILITY: SEASONAL: COVERS FLUCTUATIONS	5	3
WOULD IGNORE IT: FIND A WAY AROUND IT	3	3
IF THEY WANT OVERTIME, LET THEM	3	3
HAVE TO HIRE/TRAIN WORKERS	3	3
DOESN'T APPLY TO US	3	3
SHOULD NOT SET LIMIT	3	-
NEW ONE BETTER/FAIRER FOR WORKERS	3	-
STUPID: DON'T LIKE IT	2	6
OVERTIME HAS TO BE DONE	3	-
OWNERS/FAMILY PUT IN TIME NEEDED	3	-
A GOOD IDEA	3	-
WE CAN WORK WITHIN IT	1	6
HARDSHIP/DIFFICULTY FOR COMPANY	2	-
GOVERNMENT NO RIGHT TO INTERFERE	2	-
SHORTEN HOURS: REDUCE TO 5 DAY WEEK	1	-
RECORD-KEEPING: ADMINISTRATION	1	-
MORE PRACTICAL/ECONOMICAL ON YEARLY BASIS	1	-
MISCELLANEOUS SINGLE MENTIONS	5	3

NOTE: Percentages add to more than one hundred because some respondents gave more than one answer.

REASONS FOR SAYING 250-HOUR MAXIMUM WOULD NOT WORK
AS WELL AS CURRENT SYSTEM
BY SIZE OF COMPANY
QUESTION 13B

	SMALL COMPANIES	LARGE COMPANIES
BASE: RESPONDENTS WHO SAID IT WOULD NOT WORK AS WELL	(85) %	(17) %
RECORD-KEEPING: ADMINISTRATION	13	29
NOT ENOUGH HOURS	20	-
IF THEY WANT OVERTIME, LET THEM	13	29
SHOULD NOT SET LIMIT	13	6
KEY PERSONEL WILL SOON HIT 250 - SERIOUS PROBLEMS	6	29
HARDSHIP/DIFFICULTY FOR COMPANY	9	6
OVERTIME HAS TO BE DONE	9	6
HAVE TO HIRE/TRAIN WORKERS	7	18
EASIER, BETTER ON WEEKLY BASIS	8	6
DURING SEASON, COULD GO OVER 250	7	-
STUPID; DON'T LIKE IT	7	-
SHORTAGE OF LABOUR; GOOD/EXPERIENCED PEOPLE	7	-
DESTROY EMPLOYEE INITIATIVE; TAKE AWAY CIVIL RIGHTS	5	-
SHOULD BE WEEKLY; CAN ONLY WORK SO LONG EFFICIENTLY	5	-
ENOUGH; NO ONE WORKS THAT MANY HOURS IN A YEAR	4	-
GOVERNMENT NO RIGHT TO INTERFERE	4	-
AFFECT AMOUNT OF WORK WE CAN DO	2	6
CURRENT SYSTEM BETTER; FINE	-	18
SHORTEN HOURS; REDUCE TO 5 DAY WEEK	2	-
NEW ONE BETTER/FAIRER FOR WORKERS	2	-
MISCELLANEOUS SINGLE MENTIONS	7	-

NOTE: Percentages add to more than one hundred because some respondents gave more than one answer.

CAUTION: Small bases

3. One Week Unpaid Absence After Ten Years Employment

The third suggestion was:

> "that after ten years of service with their current employer, employees would be entitled to one week unpaid leave once a year."

More than 7 in 10 of the small companies say that this change would have little or no effect on the firm. While this feeling may be somewhat higher among small firms that currently have no employee with ten or more years of service, the variation is small.

Large companies are more likely to see this provision as a problem. About 5 in 10 so regard it.

EFFECT OF PROPOSED ONE-WEEK UNPAID LEAVE AFTER TEN YEARS

BY SIZE OF COMPANY AND BY HAVING EMPLOYEES TEN YEARS OR LONGER

QUESTION 14

		SMALL COMPANIES			
			NO		
			EMPLOYEES	EMPLOYEES	LARGE
	TOTAL		10+ YRS	10+ YRS	COMPANIES
	(300)		(135)	(165)	(80)
ALL RESPONDENTS:	%		%	%	%
MAJOR PROBLEM FOR FIRM	11	26	15	8	22	32	52
MINOR PROBLEM FOR FIRM	15		16	14		20	
LITTLE OR NO EFFECT ON FIRM	56	74	47	64	(78)	32	48
LITTLE OR NO EFFECT BECAUSE HAVE SIMILAR POLICY NOW IN PLACE	18		22	14		16	
OTHER COMMENTS	5		10	2		2	

NOTE: Percentages add to more than one hundred because some respondents volunteered comments in addition to the closed-end response to the question.

4. Leave Prior To Retirement

The fourth suggested change dealt with unpaid leave prior to retirement. It was suggested:

> "that employees be entitled to an unpaid leave beginning four years prior to retirement. This leave would accrue at the rate of one week per year worked to a maximum of four additional weeks. To qualify for this unpaid leave, an employee must have ten years of service with their current employer".

This suggestion is felt to pose more of a problem for large than for small companies. Among large companies almost 6 in 10 see it as a problem. However, among small companies those with employees with 10 or more years' experience are more likely than those without such employees to see the change as a problem for their firm.

EFFECT OF PROPOSED LEAVE PRIOR TO RETIREMENT

BY SIZE OF COMPANY AND BY HAVING EMPLOYEES TEN YEARS OR LONGER

QUESTION 15

		SMALL COMPANIES		
			NO	
		EMPLOYEES	EMPLOYEES	LARGE
	TOTAL	10+ YRS	10+ YRS	COMPANIES
	(300)	(135)	(165)	(60)
ALL RESPONDENTS:	%	%	%	%
MAJOR PROBLEM FOR FIRM	17	23	12	32
	35	44	28	60
MINOR PROBLEM FOR FIRM	18	21	16	28
LITTLE OR NO EFFECT ON FIRM	60	51	67	32
	65	56	72	40
LITTLE OR NO EFFECT BECAUSE HAVESIMILAR POLICY NOW IN PLACE	5	5	5	8
OTHER COMMENTS	5	9	4	7

NOTE: Percentages add to more than one hundred because some respondents volunteered comments in addition to the closed-end response to the question.

5. Three Weeks Paid Vacation After Five Years

The final possible change dealt with paid vacation time.

The proposition was presented as follows:

> "At present, paid vacation of two weeks must be given to all employees who have more than one year of service. It has been suggested that all employees with five or more years of service be entitled to three weeks of paid vacation."

This suggestion presents few problems for large companies. Indeed most of them have a similar policy now in effect. Among small companies it would present problems for more than 3 in 10. Only a minority of small companies have employees with five or more years' service. This latter group sees such a change as more of a problem than do those without such employees.

#70115

EFFECT OF PROPOSED THREE WEEKS PAID VACATION AFTER FIVE YEARS BY SIZE OF COMPANY AND BY HAVING EMPLOYEES FIVE YEARS OR LONGER

QUESTION 16

		SMALL COMPANIES		
		NO EMPLOYEES 5+ YRS	EMPLOYEES 5+ YRS	LARGE COMPANIES
	TOTAL			
	(300)	(83)	(217)	(50)
ALL RESPONDENTS:	%	%	%	%
MAJOR PROBLEM FOR FIRM	13	13	12	5
MINOR PROBLEM FOR FIRM	21	29	18	3
(34)		42	30	8
LITTLE OR NO EFFECT ON FIRM	27	36	24	10
LITTLE OR NO EFFECT BECAUSE HAVE SIMILAR POLICY NOW IN PLACE	39	22	46	82
66		58	70	92
OTHER COMMENTS	4	4	3	-

NOTE: Percentages add to more than one hundred because some respondents volunteered comments in addition to the closed-end response to the question.

6. Impact If All Five Changes Enacted

The firms' representatives were asked what they thought the impact on their employees' work week would be if all of the proposed changes thus far discussed were enacted. Reaction differs little between small and large companies. Most (8 in 10) feel that the work week would stay the same. Those who feel that the proposed changes would affect the work week usually expect it to be shorter.

#7011

EFFECT ON EMPLOYEES' WORK WEEK IF ALL PROPOSED CHANGES ENACTED

BY SIZE OF COMPANY

QUESTION 17

	SMALL COMPANIES (300)	LARGE COMPANIES (3[illegible])
ALL RESPONDENTS:	%	%
WORK WEEK WOULD:		
STAY THE SAME	80	85
BE LONGER	2	2
BE SHORTER	17	13
OTHER COMMENTS	3	2

NOTE: Percentages add to more than one hundred because some respondents volunteered comments in addition to, or instead of, the closed-end response to the question.

7. Maximum Work Week Reduced To Forty-Four

People were told that:

> "At present, with certain exceptions, the maximum number of hours which can be worked in any week is forty-eight. It is being suggested that, with no exceptions, the maximum hours of work per week be reduced to forty-four."

The majority of both small and large firms object to this provision. More than 6 in 10 in both size groupings see it as a problem. Almost no companies currently have such a policy.

#70115

EFFECT OF PROPOSED CHANGE OF MAXIMUM NUMBER OF HOURS TO BE WORKED TO FORTY-FOUR BY SIZE OF COMPANY

QUESTION 18

	SMALL COMPANIES (300)		LARGE COMPANIES (50)	
ALL RESPONDENTS:	%		%	
MAJOR PROBLEM FOR FIRM	41	64	52	69
MINOR PROBLEM FOR FIRM	23		17	
LITTLE OR NO EFFECT ON FIRM	35		30	
LITTLE OR NO EFFECT BECAUSE HAVE SIMILAR POLICY NOW IN PLACE	1		-	
OTHER COMMENTS	7		5	

NOTE: Percentages add to more than one hundred because some respondents volunteered comments in addition to, or instead of, the closed-end response to the question.

9. Overtime In An Emergency

The final suggestion was that:

> "Although overtime work was voluntary after 40 hours worked in a week, you were allowed to compel workers to go over their normal hours in the case of a dire emergency - for example, an accident, or urgently-needed work."

The people were then asked to select their firm's likely reaction from the following list:

> "would be necessary
> would not be so important, or
> would make no difference?"

More than 3 in 10 firms of both sizes feel that there would be a need to enforce such a policy. This level is similar in both small and large companies.

#70

NEED FOR PROPOSED ABILITY TO COMPEL EMPLOYEES

TO WORK OVERTIME IN AN EMERGENCY

BY SIZE OF COMPANY

QUESTION 17

	SMALL COMPANIES (300)	LARGE COMPANIES (50)
ALL RESPONDENTS:	%	%
WOULD BE NECESSARY	39	35
WOULD NOT BE SO IMPORTANT	21	18
WOULD MAKE NO DIFFERENCE	40	43
OTHER COMMENTS	4	7

NOTE: Percentages add to more than one hundred because some respondents volunteered comments in addition to, or instead of the closed-end response to the question.

INTERVIEW OUTLINE

DECISION MARKETING RESEARCH LIMITED
661 QUEEN STREET EAST
TORONTO, ONTARIO M4M 1G4

PROJECT #7015
87/09/29 REV. 7

OVERTIME STUDY

(ASK TO SPEAK TO PERSON TO WHOM LETTER WAS ADDRESSED. IF NOT AVAILABLE, MAKE APPOINTMENT./

INTRODUCTION: Hello, this is _____ of Decision Marketing Research, a Canadian market research company. Last week we sent you a letter on the subject of an overtime study which we are conducting on behalf of the Government of Ontario; do you recall receiving this letter?

YES	1	SKIP TO QUESTION 1
NO	2	READ THE FOLLOWING

The letter explained that we have been asked by the Ministry of Industry, Trade and Technology of the Ontario Government to conduct a telephone survey on their behalf among selected businesses across the Province.

Although we are conducting the survey for the government, we are a private marketing research company; all answers which you give us will be held in confidence; your name and your company name will never be revealed to anyone.

We would be very pleased if you could help us with this study. The information which you (and other Ontario businesses) give us, will help our government make decisions about future legislations. You may also find it interesting to take part in the study.

1. Is it convenient for you to do the survey now? It takes about ten or fifteen minutes altogether.

YES	1.	CONTINUE
NO	2.	ARRANGE CALLBACK: _____
REFUSED	3.	REASON: _____
OTHER	4	EXPLAIN: _____

START TIME: _____

Before we begin, I'd like to emphasize once again that the information you give me today will remain confidential to Decision Marketing Research, and only the completed report is given to our clients. We'd like to start by getting some general information about your company.

2. What exactly does your company do? (RECORD VERBATIM AND PROBE THOROUGHLY)

_____ 5/8-

_____

3. And is it (READ LIST):

A Corporation	9- 1
Sole Proprietorship	2
A Partnership	3
Other (SPECIFY) _____	

4.A About how many full-time employees do you have? FULL-TIME** _____ 10/13-

4.B About how many part-time employees do you have? PART-TIME: _____ 14/17-

TOTAL: _____

4.C How many of your employees have been with your firm (READ LIST)

Less than five years	_____ 18/21-
Five to less than ten years, or ..	_____ 22/25-
Ten years or more	_____

NOTE: SHOULD ADD TO SAME TOTAL AS 4.A PLUS 4.B) TOTAL _____

5.A Is your firm unionized?

YES 26- 1 ASK Q.5.B NO 2 SKIP TO Q.6

5.B How many employees in your firm belong to a union? WRITE IN NUMBER _____ 27/30

TRANSFER FIGURE FROM Q.4.A: **_____

6.A In a normal work week, how many of your full-time non-supervisory staff work (READ LIST AT LEFT OF GRID BELOW AND RECORD ANSWERS FOR EACH UNDER A. MAKE SURE TOTAL IS SAME OR LESS THAN AT Q.4.A**)

6.B (FOR EACH CATEGORY HAVING SOME EMPLOYEES IN IT, AT A) How often do the employees who work (CATEGORY), work over their normal hours? (READ LIST AND RECORD LETTER BESIDE EACH CATEGORY, UNDER B)

A. ABOUT ONCE A WEEK OR MORE OFTEN
B. ABOUT ONCE EVERY TWO WEEKS
C. ABOUT ONCE A MONTH
D. ABOUT ONCE EVERY TWO MONTHS
E. ABOUT ONCE EVERY SIX MONTHS
F. ABOUT ONCE A YEAR
G. LESS OFTEN THAN ONCE A YEAR
H. NEVER

(IF OVERTIME NEVER WORKED BY FULL-TIME, NON-SUPERVISORY EMPLOYEES IN ALL CATEGORIES, SKIP TO QUESTION 7.)

FOR EACH CATEGORY FROM A TO G, (QUESTION 6.B) ASK QUESTION 6.C AND 6.D
FOR EACH CATEGORY H, SKIP TO NEXT CATEGORY OR QUESTION 7/8.

6.C How many staff members who work (CATEGORY) does this affect? (WRITE IN NUMBERS BELOW UNDER C.)

6.D And about how many overtime hours, on the average, does each employee who works (CATEGORY) work in a week? (WRITE IN NUMBERS BELOW, UNDER D.)

CATEGORY:	A NUMBER OF EMPLOYEES	B HOW OFTEN THEY WORK	C NUMBERS AFFECTED	D NUMBER OF HOURS
Less than 35 hours a week	31/34	51-	56/59	63
35 to less than 40 hours a week ...	35/38	52	60/63	
40 to less than 44 hours a week ...	39/42	53-	64/67	
44 to less than 48 hours a week ...	43/46	54-	68/71	
48 hours and over	47/50	55-	72/75	77/78

79/79 [80:1]

7. (IF NO ONE EVER WORKS OVERTIME) If your staff never works overtime, how do you deal with emergencies, rush jobs and absenteeism? ... How else? (RECORD VERBATIM AND PROBE THOROUGHLY)

_____ 15-

_____ 16-

_____ 17-

SKIP TO BASIC DATA

8. For what reasons do you ask your staff to work overtime? .. Why do you have your staff work overtime as opposed to using other methods to increase production, such as enlarging your staff, buying additional equipment, adding another shift, etc. ... Why else? (RECORD VERBATIM AND PROBE THOROUGHLY)

_____ 18-

_____ 19-

_____ 20-

9.A Do your employees sometimes decline to work overtime?

YES 21- [1 ASK Q.9.B] NO [2 SKIP TO Q.10]

9.B (IF YES) How do you handle this situation? (RECORD VERBATIM AND PROBE THOROUGHLY)

_____ 22-

_____ 23-

_____ 24-

10.A In your company, how many hours in a week does an employee work before he or she is paid overtime rates?

WRITE IN FIGURE: _____ [IF NONE, ASK Q.10.B] 25/26

10.B (IF NONE) Would you explain how that works please? (RECORD VERBATIM AND PROBE THOROUGHLY)

_____ 27-

_____ 28-

_____ 29-

[SKIP TO QUESTION 11]

10.C (IF ANSWER TO Q.10.A IS NOT "NONE")

Different firms have different practices when it comes to paying non-supervisory employees for their overtime hours. Which of the following practices does your company follow? (READ LIST AND CIRCLE AS MANY AS APPLY)

Employees are paid time and a half ..... 30 - 1

Employees are paid higher than time and a half .. 2

Employees are given time off, at straight time .. 3

Employees are given time off at a premium rate, for example, time and a half 4

OTHER: SPECIFY _____ 31-

11. (ASK EVERYONE) When additional man-hours are needed, employers have two options, both of which cost money. One would be to hire new workers; the other would be to use overtime by current employees. Which of these two options do you find less expensive? (READ LIST)

To hire someone new, or 32- 1

To have current employees work overtime? ... 2

I'm going to present a number of possible changes to the present overtime laws - and I'd like to know what you feel the reactions of your company would be. I'd like you to look at each one individually and not together.

POSSIBLE CHANGE NO.1:

12.A At present, with certain exceptions, all non-supervisory employees who work more than 44 hours in a week are supposed to be paid an overtime premium for all hours over 44. It is being suggested that the law be changed to require that the overtime premium (or time off at a premium rate) be paid on all hours over 40 in a week. If the law were changed, would you: (READ LIST)

pay employees according to the changed rules, ...	33-	1
reduce overtime hours and hire more workers, ...		2 ASK Q.12.B
reduce your business operating hours, ...		3
reduce overtime hours, ...		4
disregard the law, or		5
your company is not covered by this ruling?		6

OTHER: (SPECIFY) _____

_____ 34-

12.B [IF NO.2] You said you would reduce overtime hours and hire more workers. Would that be (READ LIST):

full-time, ...	35-	1
part-time, or		2
both?		3

POSSIBLE CHANGE NO.2:

13.A Presently, a maximum number of overtime hours an employee may work has been established for a 7-day period. It has been suggested that a maximum of 250 overtime hours be set for the year, for each employee. Would you say that for your firm this arrangement: (READ LIST)

would work better than the current system, ...	36-	1
would work as well as the current system, ...		2
would not work as well as the current system, or		3
would make no difference in your firm?		4

13.B Why do you say that? (RECORD VERBATIM AND PROBE THOROUGHLY)

_____ 37-

_____ 38-

_____ 39-

POSSIBLE CHANGE NO.3:

14. It has been suggested that after ten years of service with their current employer, employees would be entitled to one week unpaid leave once a year. Would you say this provision: (READ LIST)

would be a major problem for your firm, ...	40-	1
would be a minor problem, ...		2
would have little or no effect on your firm, or		3
would have little or no effect on your firm because you already have a similar policy in place?		4

POSSIBLE CHANGE NO.4:

15. It had been suggested that employees be entitled to an unpaid leave beginning four years prior to retirement. This leave would accrue at the rate of one week per year worked to a maximum of four additional weeks. To qualify for this unpaid leave, an employee must have ten years of service with their current employer. Would you say this provision: (READ LIST)

would be a major problem for your firm, ...	41-	1
would be a minor problem, ...		2
would have little or no effect on your firm, or ...		3
would have little or no effect on your firm because you already have a similar policy in place?		4

POSSIBLE CHANGE NO.5:

16. At present, paid vacation of two weeks must be given to all employees who have more than one year of service. It has been suggested that all employees with five or more years of service be entitled to three weeks of paid vacation. Would you say this provision: (READ LIST)

would be a major problem for your firm, ...	42 -	1
would be a minor problem, ...		2
would have little or no effect on your firm, or		3
would have little or no effect on your firm because you already have a similar policy in place?		4

17. If all the changes I just described, happened - would your employees' work week: (READ LIST)

stay the same, ...	43 -	1
be longer, or		2
be shorter?		3

18. At present, with certain exceptions, the maximum number of hours which can be worked in any week is 48. It is being suggested that, with no exceptions, the maximum hours of work per week be reduced to 44. If the law were changed, would this provision: (READ LIST)

be a major problem for your firm, ...	44 -	1
be a minor problem, ...		2
have little or no effect on your firm, or		3
have little or no effect on your firm because you already have a similar policy in place? .		4

19. Let us suppose that, although overtime work was voluntary after 40 hours worked in a week, you were allowed to compel workers to go over their normal hours in the case of a dire emergency - for example, an accident, or urgently-needed work. Would you say that for your firm, being able to take this action: (READ LIST)

would be necessary, ...	45 -	1
would not be so important, or		2
would make no difference?		3

One last question to help us to classify your answers.

20. What do you expect your sales volume to be this year? (READ LIST)

Less than $100,000	46 -	1
$100,000 to less than $250,000		2
$250,000 to less than $500,000		3
$500,000 to less than $1,000,000		4
$1,000,000 to less than $2,000,000		5
$2,000,000 to less than $5,000,000		6
$5,000,000 to less than $10,000,000		7
$10,000,000 and over		8

Thank you very much; your opinion has been very helpful today. Let me make sure I have your name and title.

NAME: MR/MISS/MRS/MS: _____

TITLE: _____

INTERVIEWED BY: _____ DATE: _____

CHECKED BY: _____ FINISH TIME: _____